

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re

JEFFREY LEW LIDDLE,

Debtor

X  
: Chapter 7  
:  
: Case No. 19-10747 (SHL)  
:  
: Jointly Administered with 19-12346 (SHL)  
:  
X

**AMENDED FINAL REPORT OF DEBTOR UPON CONVERSION OF CHAPTER 11  
CASE TO CHAPTER 7 CASE PURSUANT TO BANKRUPTCY RULE 1019(5)**

The Debtor is filing this Amended Final Report to:

- (i) include the professional fees of Torys LLP and Richard J. Lynne, C.P.A., P.C. in Section III.A;<sup>1</sup>
- (ii) clarify certain information regarding professional fees; and
- (iii) update the Debtor's assets to reflect the Amended Schedules A/B [Docket No. 432].

**I. Cash**

- a) Cash balance on hand at date of conversion \$204,638.81
- b) The bank name and last four digits of account numbers where all of the cash held on conversion date was located are as follows:<sup>2</sup>
  - a. Wells Fargo Everyday Checking (1619)
  - b. Wells Fargo Everyday Checking (6143)
  - c. Citibank Checking (0472)

**II. Accounts Receivable**

No amount is due on account of accounts receivable to the Debtor's individual estate from other entities or individuals on the date the case was converted to a chapter 7 case.

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<sup>1</sup> The Torys LLP fees were included in the *Final Application of Torys LLP, as Counsel to Debtor, for Services Rendered and Reimbursement of Expenses Incurred for the Period April 1, 2019 Through April 26, 2019* [Docket No. 228] and are restated herein out of an abundance of caution. Richard J. Lynne, C.P.A., P.C. will file a final fee application with the Court.

<sup>2</sup> The Debtor has filed a motion claiming social security payments in these accounts as exempt property. [Docket No. 412].

**III. Total Post-Petition Unpaid Debts As of July 7, 2020**

A. Total post-petition unpaid debts incurred during Chapter 11 case: \$1,032,032.88

Name and Address of Unpaid Creditors	Amount Unpaid
Department of Treasury – IRS 2 Metrotech Center Brooklyn, NY 11201	\$36,870 <sup>3</sup>
New York State Tax & Finance Department 15 Metrotech Ctr, Suite 4 Brooklyn, NY 11201	\$1,455.80
South Fork Storage Corp. 11 Tradesman Path PO Box 1889 Bridgehampton, NY 11932	\$13,716.18
Suffolk County Comptroller 330 Center Drive Riverhead, NY 11901	\$250.99
Town of Southampton 116 Hampton Road Southampton, NY 11968	\$37,334.04 <sup>4</sup>
Town of Southampton 116 Hampton Road Southampton, NY 11968	\$9,118.38 <sup>5</sup>
Town of Southampton Water Authority 18 Ponquogue Ave Hamptons Bay, NY 11946	\$130.63 <sup>6</sup>

Professional <sup>7</sup>	Amount Requested in Last Interim Fee Application (November 1, 2019 to April 30, 2020)	Amount Billed and Unpaid
Foley Hoag LLP	\$530,700.55 [Docket No. 381]	\$283,645.09 <sup>8</sup>

<sup>3</sup> This amount consists only of the 2018 Federal Income Taxes.

<sup>4</sup> This amount consists of the property tax bill for 560 Main Street.

<sup>5</sup> This amount consists of the property tax bill for 554 Main Street

<sup>6</sup> The Debtor issued checks to the Water Authority which did not clear because the chapter 7 trustee was appointed and his accounts were frozen.

<sup>7</sup> All professional fees are subject to notice, hearing, and court approval under the fee application process.

<sup>8</sup> Total amount billed and unpaid as of June 29, 2020. Foley Hoag will submit its May and June bills as part of its final fee application.

<b>Professional<sup>7</sup></b>	<b>Amount Requested in Last Interim Fee Application (November 1, 2019 to April 30, 2020)</b>	<b>Amount Billed and Unpaid</b>
EisnerAmper	\$39,301.00 [Docket No. 382]	\$41,396.00 <sup>9</sup>
Tory's	N/A	\$27,156.72 <sup>10</sup>
Richard J. Lynne, C.P.A., P.C.	N/A	\$9,957.5 <sup>11</sup>

B. Estimated tax liabilities arising from income from anticipated K-1: \$695,518<sup>12</sup>

#### **IV. Date that Matrix of Unpaid Creditors during the Chapter 11 case was Filed**

July 7, 2020 [Docket No. 403]

#### **V. Original Chapter 11 Assets**

<b>Description of Asset</b>	<b>Value Scheduled in Schedules A &amp; B</b>	<b>Notes</b>
Single-family home at 560 Main Street, Quiogue, NY 11978	\$3,500,000 <sup>13</sup>	As set forth in the Amended Schedules [Docket No. 432]
Single-family home at 554 Main Street, Quiogue, NY 11978	\$800,000 <sup>14</sup>	As set forth in the Amended Schedules [Docket No. 432]
Jeep, Wrangler Sahara, Year 2013	\$10,000 <sup>15</sup>	Title held by Debtor but gifted to Debtor's daughter in 2013 <sup>16</sup>
Jeep, Cherokee, Year 2008	\$2,500 <sup>17</sup>	Title held by Debtor but gifted to Debtor's son in 2016 <sup>18</sup>

<sup>9</sup> Total amount billed and unpaid as of June 30, 2020, consisting of holdbacks and fees paid after April 30, 2020.

<sup>10</sup> This amount represents the 20% holdback in fees from Tory's final fee application. [Docket No. 228].

<sup>11</sup> Richard Lynne will file a final fee application with this Court.

<sup>12</sup> This is the estimated personal income tax burden incurred after applying the Debtor's personal carryover of net losses, charitable contribution carryforward and personal administrative expenses to the Liddle & Robinson L.L.P. net income allocation. Lynne Decl. [Docket No. 290-4]

<sup>13</sup> Estimated value as of March 11, 2019

<sup>14</sup> Estimated value as of March 11, 2019

<sup>15</sup> Estimated value based on valuation by Edmunds.com.

<sup>16</sup> The Debtor states that these cars were gifted to his children for their use, but there is no document evidencing the gift.

<sup>17</sup> Estimated value based on valuation by Edmunds.com.

<sup>18</sup> The Debtor states that these cars were gifted to his children for their use, but there is no document evidencing the gift.

Description of Asset	Value Scheduled in Schedules A & B	Notes
Household goods and furnishings	\$12,625	As set forth in the Amended Schedules [Docket No. 432]
Collectibles of Value	\$111,875 <sup>19</sup>	As set forth in the Amended Schedules [Docket No. 432]
Equipment for Sports and Hobby	\$1,000	As set forth in the Amended Schedules [Docket No. 432]
Clothes	\$3,500	As set forth in the Amended Schedules [Docket No. 432]
Jewelry	\$1,600	As set forth in the Amended Schedules [Docket No. 432]
Wine Cellar	\$125,000	Jointly owned with Debtor's wife and daughter
401(k) Principal Financial	\$3,352.24	As set forth in the Amended Schedules [Docket No. 432]
IRA Morgan Stanley	\$3,093	As set forth in the Amended Schedules [Docket No. 432]
PSEG Long Island Deposit	\$1,590	As set forth in the Amended Schedules [Docket No. 432]

## VI. Non-Exempt Assets Deposited into DIP Accounts During Case

Description of Asset	Date Acquired	Value
Monthly Draw from Firm	4/4/2019	\$500
Monthly Draw from Firm	4/5/2019	\$1,000
Monthly Draw from Firm	4/15/2019	\$6,500
Monthly Draw from Firm	4/29/2019	\$7,500
Monthly Draw from Firm	4/30/2019	\$15,000
Monthly Draw from Firm	10/1/2019	\$3,000
Outstanding Draws (June to October 2019) from Firm	11/1/2019	\$72,000
Monthly Draw from Firm	12/12/2019	\$15,000
Monthly Draw from Firm	12/20/2019	\$15,000
Monthly Draw from Firm	2/5/2020	\$15,000

<sup>19</sup> Of this amount, \$11,875 is owned by the Debtor and \$100,000 is jointly owned by the Debtor and his wife.

Description of Asset	Date Acquired	Value
Monthly Draw from Firm	2/11/2020	\$15,000
Monthly Draw from Firm	2/27/2020	\$15,000
Debtor's Share of Proceeds from Sale of Manhattan co-op apartment co-owned with Debtor's wife	4/2/2019	\$1,093,837
Monthly Draw from Firm	4/6/2020	\$15,000
Monthly Draw from Firm	5/7/2020	\$15,000

## VII. Litigation-Related Assets of the Estate

Litigation Claims	Date	Value
Appeal of Jeffrey Lew Liddle as Defendant Appellant in the Action, <i>Counsel Financial, II LLC vs Liddle &amp; Robinson LLP, Jeffrey Lew Liddle, Blaine H. Bortnick, and James Ryan Hubbard</i> (App. 4th Dep't, Case Nos. 19-01661, 19-01662)	Notice of Appeal was filed on March 11, 2019.  Appellant's opening brief was filed on January 24, 2020.  Respondent's brief was filed on May 21, 2020.  Appellant's reply brief was filed on June 1, 2020.  Oral argument was scheduled for June 24, 2020, but has been adjourned.	At least \$500,000 <sup>20</sup>
Administrative Claim for Debtor's Services to the Liddle & Robinson, L.L.P. Estate for the Actual, Necessary Costs of Preserving The Estate, Including Wind-Up Services		Contingent; Unliquidated

<sup>20</sup> The Debtor's wrongful attachment claim against Plaintiff-Respondent Counsel Financial II is not limited to the undertaking of \$500,000. CPLR 6212(b).

Litigation Claims	Date	Value
Claim Against Liddle & Robinson, L.L.P. for Debtor's Substantial Contribution to the Estate	See description in motion filed on 6/4/2020 [Case No. 19-12346, Docket No. 290]	\$1,224,518
Claim Against Liddle & Robinson, L.L.P. for Allowance and Payment of Administrative Expense Previously Paid to Foley Hoag	See description in motion filed on 6/4/2020 [Case No. 19-12346, Docket No. 291]	\$101,445.86
Proof of Claim against Liddle & Robinson, L.L.P.	7/9/2020 [Case No. 19-12346, Claim No. 35]	At least \$37,000,000.00

### VIII. Executory Contracts and Unexpired Leases

The Debtor has not assumed or rejected any unexpired leases or any other executory contracts.

The Amended Final Report above, consisting of 6 pages, has been prepared by the Debtor, who declares under penalty of perjury that the statements contained therein are true and correct to the best of his knowledge, information, and belief.

Dated: July 29, 2020

Signed: /s/ Jeffrey Lew Liddle  
Debtor